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Shakoor, Omar

From: Victim Witness Unit - EDNY, [Victim.Witness.Unit-EDNY@usdoj.gov]
Sent: Friday, August 24, 2007 3:25 PM
Subject: U.S. v. STEVEN LEFF

You have been identified as a victim or potential victim in a criminal matter that involves Steven Leff. This correspondence will provide information on the progress of this matter and advise you of your rights under the Crime Victims' Rights Act.

Steven Leff, a principal of National Settlement Agency, is the defendant in a criminal case that is being prosecuted by the United States Attorney's Office for the Eastern District of New York. On the morning of August 21, 2007, defendant Leff surrendered and was arrested by Special Agents of the Federal Bureau of Investigation. That afternoon, an arraignment hearing for Mr. Leff took place at the United States Courthouse in Brooklyn, NY. The purpose of an arraignment hearing is for the defendant to enter an initial plea as to the charges and for the Court to set bail and conditions of release. At his arraignment hearing, Mr. Leff entered a plea of not guilty and was released on a \$1 million bond.

Also on August 21, 2007, a Complaint and Affidavit in Support of Application for Arrest Warrant was unsealed and made available to the public. This document provides an overview of the scheme for which the defendant faces prosecution; please find a copy of the Complaint and Affidavit, in .pdf format, attached to this email. No further court events have been scheduled at this time. The United States Attorney's Office will continue to provide you with updated scheduling and event information concerning future court dates.

The Crime Victims' Rights Act gives victims of criminal offenses in Federal court certain rights, including: (1) The right to be reasonably protected from the accused; (2) The right to reasonable, accurate, and timely notice of any public court proceeding, involving the crime, or of any release or escape of the accused; (3) The right not to be excluded from any such public court proceeding, unless the court, after receiving clear and convincing evidence, determines that testimony by the victim would be materially altered if the victim heard other testimony at that proceeding; (4) The right to be reasonably heard at any public proceeding in the district court involving release, plea, or sentencing; (5) The reasonable right to confer with the attorney for the Government in the case; (6) The right to full and timely restitution as provided in law; (7) The right to proceedings free from unreasonable delay; and (8) The right to be treated with fairness and with respect for the victim's dignity and privacy.

We will make our best efforts to ensure you are provided the rights described above. It is important to keep in mind that the defendant is presumed innocent until proven guilty and that presumption requires both the Court and our office to take certain steps to ensure that justice is served. While our office cannot act as your attorney or provide you with legal advice, you are encouraged to seek the advice of an attorney with respect to these rights or other related legal matters.

Upon the indictment of defendant Leff, your contact information will be entered into the Department of Justice's Victim Notification System (VNS). At that time, you will receive a letter from our office that provides detailed instructions for how best to be notified of the status of this case. If you have additional questions, please contact the Victim-Witness Unit at (718) 254-6256.

Thank you,

Lisa Foster
Victim-Witness Coordinator
U.S. Attorney's Office - EDNY

Christopher Cariello
Victim-Witness Assistant

8/26/2007

U.S. Attorney's Office - EDNY

<<Steven Leff - Complaint and Affidavit.pdf>>

8/26/2007

F#: 2007R01372
EK:JEG

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

M-07 929

- - - - -X

UNITED STATES OF AMERICA

- against -

STEVEN LEFF,

Defendant.

- - - - -X

COMPLAINT AND AFFIDAVIT
IN SUPPORT OF APPLICATION
FOR ARREST WARRANT

(T. 18 U.S.C. § 656)

EASTERN DISTRICT OF NEW YORK, SS:

RONDIE K. PEISCOP-GRAU, being duly sworn, deposes and says that she is a Special Agent with the Federal Bureau of Investigation ("FBI"), duly appointed according to law and acting as such.

Upon information and belief, in or about and between 1999 and July 2007, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant STEVEN LEFF, while acting as escrow agent for various banks, the deposits of which were insured at all relevant times by the Federal Deposit Insurance Corporation, did embezzle, abstract, purloin and willfully misapply moneys intrusted to his custody and care.

(Title 18, United States Code, Section 656)

The source of your deponent's information and the grounds

for her belief are as follows:¹

1. I have been a Special Agent with the FBI for approximately 16 years. I am presently assigned to a unit dedicated to the investigation of financial crimes.
2. The defendant, who resides in the Eastern District of New York, is president of National Settlement Agency, Inc. ("NSA"). As president of NSA, the defendant exercised control over NSA's escrow accounts.
3. NSA acted as settlement agent for real estate closings on behalf of several FDIC insured banks. In that capacity, NSA was entrusted with funds belonging to the banks for the purpose of holding those funds and disbursing them to various persons and entities - including individuals who sold and refinanced real property and prior mortgage holders.
4. I have spoken with numerous of the defendant's victims, including homeowners and lender banks. All of these victims indicate that NSA was the escrow agent involved in their mortgage refinancing transactions. In every instance, after the refinancing transaction closed, the original mortgage holder did not receive the funds held by NSA to pay off the original

¹ Because the purpose of this affidavit is to set forth only those facts necessary to establish probable cause, I have not described all the relevant facts and circumstances of which I am aware.

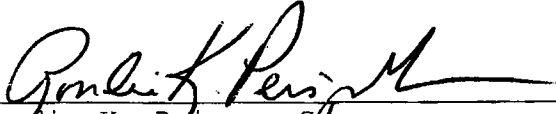
mortgage.

5. In a signed statement provided by the defendant to the FBI, the defendant acknowledges that, on numerous occasions, he knowingly and wilfully made unauthorized transfers of funds belonging to the banks held in NSA's escrow accounts. These funds were transferred to NSA's operating account without the knowledge or permission of the banks. Some of these funds were transferred to the defendant personally.

6. As a result of the unauthorized transfers referenced above, several of the original home mortgages were not properly paid off. Some of the closings for the refinancing transactions for which funds were improperly transferred took place in the Eastern District of New York.


7. Based on the foregoing, I respectfully submit that probable cause exists to believe that the defendant, STEVEN LEFF, while acting as escrow agent for various banks, the deposits of which were insured at all relevant times by the Federal Deposit Insurance Corporation, did embezzle, abstract, purloin and willfully misapply moneys intrusted to his custody and care, in violation of Title 18, United States Code, Section 656.

WHEREFORE, your deponent respectfully requests that an arrest warrant be issued for defendant STEVEN LEFF so that he may be dealt with according to law.



Rondie K. Peiscop-Grau
Special Agent,
Federal Bureau of Investigation

Sworn to before me this
21st day of August, 2007



THE HONORABLE KIYO A. MATSUMOTO
UNITED STATES MAGISTRATE JUDGE
EASTERN DISTRICT OF NEW YORK